TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman Lynn Greer, Director Melvin Malone, Director



460 James Robertson Parkway Nashville, Tennessee 37243-0505

August 9, 2001

MEMORANDUM

TO:

Sharla Dillon

Dockets

FROM:

Pat Murphy &M

Energy and Water Division

SUBJECT:

United Cities Gas Company

Request for Docket Number

01-00704

Our division is currently auditing United Cities Gas Company's Incentive Plan Account (IPA) for the period of April 1, 2000, through March 31, 2001. Accordingly, a copy of the Company's IPA filing is attached. We, therefore, respectfully request that a docket number for this audit be assigned.

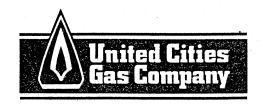
Upon assigning a docket number, please advise Betty Patton so that appropriate files may be set up in our division. We appreciate your assistance in this matter.

Attachment

C:

Dan McCormac Betty Patton

Pm01-53



RECEIVED
TN REG. AUTHORITY
AUG 7 2001
ENERGY & WATER DIVISION

Ms. Pat Murphy Senior Financial Analyst Energy and Water Division Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243-0505

RE:

United Cities Gas Company's Annual PBR Filing

Plan Year April 2000 - March 2001

Dear Pat:

Please find enclosed United Cities Gas Company's Annual Report in the above referenced matter. A summary of the Plan Year with revisions to previously submitted quarterly reports and the reserve margin calculation are included. The Company's Incentive and Rewards Program remains unchanged for the Plan Year 2001/2002 and therefore the Company is not submitting any revision.

The information submitted is CONIDENTIAL. If you have any questions, please feel free to contact me at 615-771-8332.

Very truly yours,

Patricia J. Childers

Pat Children

Vice President - Rate & Regulatory Affairs

Cc: Joe A. Conner

Timothy C. Phillips - Office of Attorney General and Reporter